



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 3, 2009
TO: Mayor and Councilmembers
FROM: Administration Division, Finance Department
SUBJECT: Fiscal Year 2010 Special Budget Work Session

RECOMMENDATION:

That Council hear a report from staff detailing potential options for addressing the Fiscal Year 2010 projected revenue shortfall in the General Fund.

DISCUSSION:

On June 23, 2009, Council approved the fiscal year 2010 budget that included a number of measures, including budget cuts and revenue enhancements, to close a projected \$10.5 million deficit caused by rising costs and unprecedented declines in revenues. However, since June, revenues have further deteriorated beyond the levels assumed in the fiscal year 2010 adopted budget, creating a projected shortfall in revenues of approximately \$2.5 million. In addition, the City did not receive a federal public safety grant totaling approximately \$420,000 in connection with the American Recovery and Reinvestment Act, which would have funded four police officers.

Three special budget work sessions of the City Council have been scheduled to discuss the current revenue outlook and options for addressing the projected \$2.9 million shortfall in revenues in fiscal year 2010. In addition, part of work sessions will include a discussion of the preliminary projected deficit for fiscal year 2011 and alternative strategies to close that gap.

The second meeting is scheduled for Tuesday, September 8th, from 1:00 to 5:00 p.m. in the City Council Chambers located in City Hall. If necessary, a third meeting is scheduled for Wednesday, September 9th, from 9:00 a.m. to 1:00 p.m. in the City Council Chambers.

PREPARED BY: Robert Samario, Interim Finance Director
SUBMITTED BY: Robert Samario, Interim Finance Director
APPROVED BY: City Administrator's Office